

HOUSING ELEMENT AND FAIR SHARE PLAN



City of Orange Township
Essex County
New Jersey

August 24, 2005

Amended: October 29, 2008

Memorialized: November 19, 2008

Endorsed by City Council Resolution 363-2008

December 2, 2008

SECTION I: INTRODUCTION AND SUMMARY OF FINDINGS

INTRODUCTION

The Mount Laurel II decision¹, handed down by the New Jersey Supreme Court in January 1983, requires all municipalities to provide a realistic opportunity for the construction of housing affordable to those households of lower income. In response to the Mt. Laurel II decision, the Fair Housing Act was adopted in 1985 and signed by the Governor (Chapter 222, Laws of New Jersey, 1985). The Act established a Council on Affordable Housing (COAH) to insure that the mandate of Mt. Laurel II would be implemented by all New Jersey municipalities.

The Council on Affordable Housing (COAH) recently adopted its “Third round regulations”, which came into effect on June 16, 2008. The new regulations embrace a “growth share” methodology under which one “affordable” unit must be provided for every five “market units” for residential development, and one affordable unit for every sixteen jobs created for commercial development. This is a significant change from previous COAH methodologies in which numbers were assigned based on formulas and other variables. This method is a “build as you grow” approach which is more accommodating for good planning.

The Fair Housing Act requires municipalities in the state to include an adopted housing element in all master plans. The principal purpose of the housing element is to provide for methods of achieving the goal of access to affordable housing to meet the municipality’s present and prospective low and moderate-income housing needs. Low-income households are defined as those with an income no greater than 50 percent of the median household income adjusted for household size of the housing region in which the municipality is based. Moderate-income households are those with incomes no greater than 80 percent of the median household income, adjusted for household size of the housing region.

The City of Orange Township is located in the Region 2, which consists of Essex, Morris, Union and Warren counties. The median household income in the region for a family of four is \$80,300. Qualifying households have income of approximately \$40,000 - \$65,000 for a family of four.

The Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq. requires a municipal master plan to include a Housing Element. The Housing Element shall be adopted by the Planning Board and endorsed by the governing body prior to the municipal filing pursuant to N.J.A.C. 5:95-2 or the

¹ South Burlington County NAACP v. Mt. Laurel Borough, 92 NJ 158, 456 A.2d 390 (1983).

municipal petition for substantive certification pursuant to N.J.A.C. 5:95-3. A municipality's Housing Element shall be designed to achieve the goal of providing affordable housing to meet the total 1987-2014 affordable housing need comprised of estimated growth share, the remaining balance of Prior Round Obligation from the municipality's 1987-1999 affordable housing obligation that has not been addressed (if any), and the rehabilitation share. The Housing Element submitted to the Council shall include the minimum requirements prescribed by N.J.S.A 52:27D-310.

Housing Element

Supporting information to be submitted with the Housing Element must include:

1. A projection of the municipality's probable future construction of housing for fourteen years covering the period January 1, 2004 through January 1, 2018 based upon the following minimum information for residential development:
 - a. Certificates of occupancy issued since January 1, 2004;
 - b. Construction and demolition permits issued and projected;
 - c. Approvals of applications for development; and
 - d. Historic trends, of, at least, the past ten years, which shall include demolitions and certificates of occupancy issued;
2. An analysis of the existing jobs and employment characteristics of the municipality, and a projection of the probable future jobs and employment characteristics of the municipality for fourteen years covering the period January 1, 2004 through January 1, 2018 based upon the following minimum information for non-residential development:
 - a. Certificates of occupancy issued since January 1, 2004;
 - b. Construction and demolition permits issued and projected;
 - c. Approvals of applications for development including a breakdown of non-residential projections by use group as outlined in Appendix E, incorporated herein by reference; and,
 - d. Historic trends, of, at least, the past ten years, which shall include demolitions, certificates of occupancy issued and absorption rates;
3. An analysis of how existing zoning or planned changes in zoning provide adequate capacity to accommodate residential and non-residential growth projections consistent with the municipal growth projections calculated pursuant to (b)1 and 2 above. This analysis should include the availability of existing and planned necessary infrastructure, the anticipated demand for the types of uses permitted by zoning based on present and anticipated future demographic characteristics of the municipality, anticipated land use patterns, municipal economic development policies and constraints on development including state and federal regulations, land ownership patterns, presence of incompatible land uses or sites needing remediation and existing or planned measures to address these constraints;

4. Plan Projections for 2018 or growth projections for 2018 in an endorsed plan approved by the State Planning Commission, whichever is later, after December 20, 2004. If Plan Projections for 2018 are not available when a municipality petitions for substantive certification, a municipality may substitute the most recent municipal population, household, and employment growth projections published by the municipality's metropolitan planning organization as a minimum replacement for the State Planning Commission Plan Projections. Where no metropolitan planning organization household growth projections are available, population projections shall be converted to households using the most recently published municipal household size data available from the Bureau of the Census.
5. If the municipal population, household and employment growth projections used to determine the municipal growth share obligations pursuant to N.J.A.C. 5:94-2.4 are not consistent with the municipal Plan Projections for 2018 required pursuant to (b)4 above, the municipality shall provide the following:
 - a. A demonstration that the capacity of existing or planned zoning to accommodate the Plan Projections pursuant to (b)4 above renders those Plan Projections inaccurate;
 - b. An analysis of the reasons for the differences between the municipal growth projections calculated pursuant to (b)1 and 2 above and the Plan Projections calculated pursuant to (b)4 above; and
 - c. A detailed justification as to why the Council should accept the alternate projections.
6. A copy of the most recently adopted municipal master plan and, when less than three years old, the immediately preceding, adopted master plan;
7. A copy of the most recently adopted municipal zoning ordinance;
8. A general description of any specific sites slated for affordable housing, including but not limited to the following: acreage, owner, block and lot, current zoning, surrounding land uses, and street access;
9. A copy of the most up-to date tax maps of the municipality, electronic if available, with legible dimensions; and
10. Any other documentation pertaining to the review of the municipal Housing Element as may be required by the Council.

Fair Share Plan

The Fair must address the number of newly constructed affordable housing units the municipality was obligated to provide during the period 1987 to 1999, the number of low- and moderate-income units the municipality is obligated to rehabilitate as of April 1, 2000, the projected growth share need based upon residential and non-residential development patterns that are likely to occur pursuant to N.J.A.C. 5:94-2.4, and the number of affordable housing units

actually provided to address the 1987 to 1999 cumulative municipal fair share obligation. Specifically, the Fair Share Plan must include the following:

1. Municipalities shall project the residential component of growth share obligations for the period January 1, 2004 to January 1, 2018 based on the data and analysis of growth projections pursuant to N.J.A.C. 5:94-2.2. Residential growth share obligations shall be projected as follows:
 - a. For every five market-rate residential certificates of occupancy projected to be issued, the municipality shall plan for an obligation of one affordable housing unit. A municipality may adjust its projections based on projected or actual residential demolitions in calculating net residential growth share obligation. The residential growth share obligation shall not go below zero. Residential demolitions shall not be applied as a credit against the non-residential growth share.
 - b. Affordable housing units that received credit in a first or second round certified plan or a court judgment of compliance that are projected to be constructed after January 1, 2004 shall be excluded from projected residential growth for the purposes of projecting the growth share.
 - c. Affordable housing units included in the municipality's third round Fair Share Plan shall be excluded from projected residential growth for the purposes of projecting the growth share.
 - d. Market-rate units in an inclusionary or mixed-use development that received credit in a first or second round certified plan or a court judgment of compliance that are projected to be constructed after January 1, 2004 shall be excluded from residential growth for the purposes of projecting the growth share, provided these sites are zoned without conditions to produce affordable housing units. The Council shall assume, for crediting purposes, that market-rate units are generated at a rate of four times the number of affordable units generated on that particular site, unless the municipality demonstrates to the Council a rational basis for a lower set-aside percentage that was used to produce the affordable units. In making this determination, the Council shall consider the guidelines established in N.J.A.C. 5:93-5.6 and N.J.A.C. 5:93-5.15.
2. Municipalities shall project the non-residential component of growth share obligations for the period January 1, 2004 to January 1, 2018 based on the data and analysis of growth projections pursuant to N.J.A.C. 5:94-2.2. Non-residential growth share obligations shall be projected as follows:
 - a. For every 16 newly created jobs as measured by new or expanded non-residential construction within the municipality in accordance with Appendix E the municipality shall plan for an obligation of one affordable housing unit. A municipality may adjust its projections based on projected or actual non-residential demolition permits issued by square footage in calculating net non-residential growth share obligation. The non-residential growth share obligation shall not go below zero. When adjusting non-residential growth projections by demolitions, any resulting job loss calculation

shall be based upon the most recent use group of the building prior to its demolition. The non-residential growth share obligation shall not go below zero. Non-residential demolitions and any resultant job loss shall not be applied as a credit against the residential growth share. Job growth shall be projected by applying the appropriate factor by use group as listed in Appendix E, to the gross square footage of non-residential development projected to be created.

- b. Non-residential development that, as a condition of preliminary or final site plan approval granted prior to January 1, 2004 or as a stipulation included in a developers agreement executed prior to January 1, 2004, was required to specifically address a portion of a municipality's first or second round obligation or an obligation determined by the court, may be fully or partially excluded from non-residential growth for the purposes of projecting growth share. Such non-residential development may be excluded at a rate of 16 jobs for every one affordable unit addressed within the municipality as measured by new or expanded non-residential construction. Jobs shall be measured by use group pursuant to Appendix E.
3. The net residential component of growth share projections shall be added to the net non-residential growth share projections to determine a total projected growth share obligation.

EXECUTIVE SUMMARY

This report addresses the City of Orange Township's affordable housing obligation, which is comprised of the Rehabilitation Share, Prior Round obligation, and the Growth Share (future obligation 2004 – 2018). The City's prior round obligation was zero units. Therefore, the focus of the Plan is on the Rehabilitation Share and the Growth Share obligation.

The City's Rehabilitation Share, after credits for rehabilitation activities that have taken place since April 1, 2000, was for 153 units. The City's Growth Share Obligation was 542 units. However, the City had over 1,031 units worth of credits which effectively eliminated the Growth Share Obligation under Second round rules. Table 1 below summarizes the City's affordable housing obligation through the year of 2014.

Table 1
Summary of Affordable Housing Obligation (2004 – 2014)
City of Orange Township

	Pre-Credited Need	Credits	Obligation
Rehabilitation	225	72	153
Prior Round	0	0	0
Growth Share	542	959	0
TOTAL	767	1031	153

The City had a pre-credited rehabilitation need of 225 units. However, the City earned 72 credits through successful operation of two programs: Essex County Home Improvement Program and The Neighborhood Preservation Program, with a remaining obligation of 153 units. The City has no prior round obligation. The City's former pre-credited growth share need of 542 units included its obligation from infill development and the proposed redevelopment projects. The affordable housing activities such as senior housing projects, low/moderate income housing projects, alternative living arrangements, etc. undertaken by the city has resulted in a total credit of 959 units. Thus, the City has a total of 767 pre-credited need, 1031 credits and an obligation of 153 units.

SECTION II: DEMOGRAPHIC, HOUSING AND EMPLOYMENT

The general trends reflecting the existing state of the City of Orange Township are summarized below:

- The City's population declined during the 1960s through the 1990s with a significant decrease of approximately 10 percent in the 70s, but bounced back since 2000 with a 10 percent increase.
- Over the last decade, there has been significant increase in the age cohorts of 35 and 54, which can be attributed to the increasing housing affordability. The City provides a reasonable supply of housing for low and moderate-income households.
- The City of Orange Township has seen gradual decrease in the elderly citizen population (65 to 84 years old) in the last decade.
- Household size has slightly increased from 2.56 in 1990 to 2.73 in 2000.
- The majority of residents (75%) in the City of Orange Township reside in renter-occupied year-round homes.
- The City offers a range of housing types including:
 - Single-family homes (attached as well as detached),
 - Two-family houses,
 - Multi-family houses and
 - Apartments.
- The City's present concern with the housing supply is the age of the housing stock and its overcrowding condition. Nearly fifty percent of the houses in the City were built before 1940 and approximately 12.5 percent of the City's houses suffer from overcrowded conditions. This housing plan therefore focuses on the rehabilitation of these units.
- Although at slightly different percentages, the City mimics the County in their housing stock. More than half of the houses in the City were built before 1939 and in between 1940 and 1959.

The City's current redevelopment efforts will impact its population, housing, and employment growth. The previous 2004 – 2014 projection focus on three Redevelopment Areas: East Main Street, Central Valley and Central Orange which were projected *to* have a combined total of 4,380 residential units and approximately 50,000 square feet of office space and 200,000 square feet of retail space.

Below summarizes what were the general findings of the growth projection for 15 years.

From 2000 – 2014: The City's population is projected to increase by 12,555 persons, or a total 45,423. The ten-year-period population increase between 2004– 2014 is 12,356.

From 2000 – 2015: The total number of households in the City is projected to be 17,264
2014 approximately increase of 4,600 households.

These statistics no longer apply. Redevelopment estimates have been reduced to 1,100 units through 2014 and in fact through 2018 due to a dramatic reduction in density and commercial space estimates, both retail and office space has been reduced by 3/4th. An estimate now is 15,000 square feet of Office and 50,000 square feet of retail by 2018.

POPULATION

Over the last 70 years, the City of Orange Township has experienced significant shifts in its population. Table 2 displays the population figures for City of Orange Township after 1930 and compares the figure to the whole Essex County, which is the second largest county in the state.

The City has experienced a steady decline in its population between the 1960s and 1990s. The population in the City of Orange Township, however, has bounced back, with an increase of 2,943 residents between 1990 and 2000. The current residential population of the City of Orange Township is 32,868 persons.

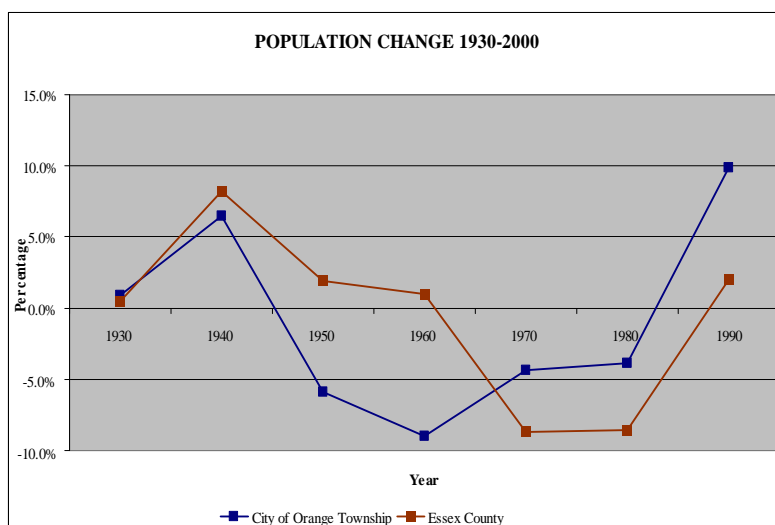


Figure 1

The most recent Census data shows Essex County, home of 793,633 residents, as the second largest populated county in New Jersey. From 1930 to 2000, Essex County as a whole experienced a similar trend. Both the City and the County grew during the 1940s and 1950s. The County's population continued to increase at a very low rate during the 60's and 70's while the City's population started to decline. The County experienced a steady decline in population

growth by 8.7 and 8.6 percent during 1980's and 1990's respectively. In contrast the City's population decreased by 4.4 and 3.9 percent. Although the County's population increased after 1990, at 2 percent, this was much lower than the City's population increase of 9.8 percent.

Table 2
Population Change, 1930-2000
City of Orange Township and Essex County

<u>City of Orange Township</u>			
<u>Year</u>	<u>Population</u>	<u>Change</u>	<u>Percent</u>
1930	35,399		
1940	35,717	318	0.9%
1950	38,037	2,320	6.5%
1960	35,789	-2,248	-5.9%
1970	32,566	-3,223	-9.0%
1980	31,136	-1,430	-4.4%
1990	29,925	-1,211	-3.9%
2000	32,868	2,943	9.8%

<u>Essex County</u>			
1930	833,513		
1940	837,340	3,827	0.5%
1950	905,949	68,609	8.2%
1960	923,545	17,596	1.9%
1970	932,526	8,981	1.0%
1980	851,304	-81,222	-8.7%
1990	778,206	-73,098	-8.6%
2000	793,633	15,427	2.0%

Source: U.S. Bureau of the Census, 2000

POPULATION COMPOSITION BY AGE

The 'Baby Boom' population (those born between 1946 and 1964) comprises approximately thirty percent of the population in both the City of Orange Township and Essex County. Over the ten-year period from 1990 to 2000, there were significant shifts in many of the age cohorts in the City of Orange Township. Table 3 shows the 1990 and 2000 population by age groups for the City and the County. The Baby Boomers are included in the population figures for those between the ages of 35 and 54, as well as the elder portion of those between ages of 25 and 34.

Orange has experienced a significant increase in the age cohorts of 35 and 54, over the last decade. This can be attributed to the diversity of housing supply and the increasing housing affordability in the City. The population in the City decreased between the age groups of 15 and 34. This is a result of the ‘Baby Bust’ period.

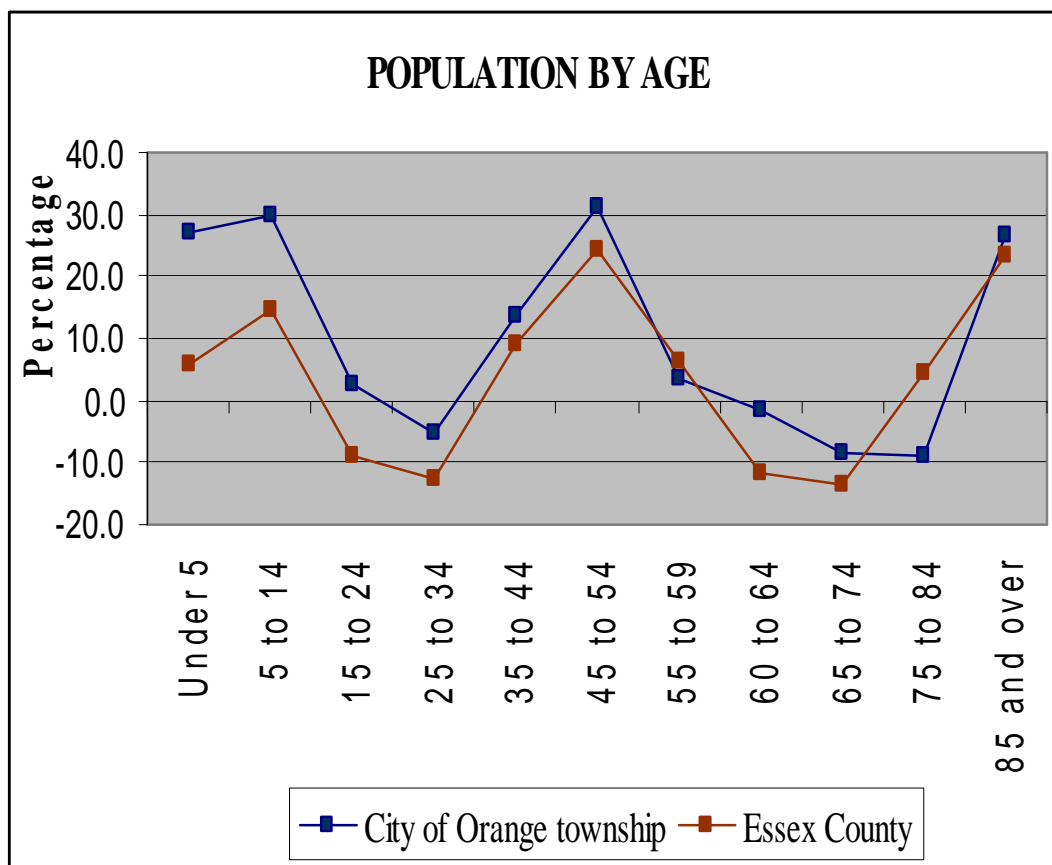


Figure 2

The City experienced a significant increase in the population for the age groups of ‘under 5’ and ‘5-14’. This can be attributed to the ‘Baby Boom Echo’ period.

The City of Orange Township and Essex County have experienced a considerable decline in their elderly citizen population, especially in the age groups of 60 – 64 and 65-74. Both the City and Essex County have seen steady growth of 26.6 percent and 23.4 percent respectively in their frail elderly age group of 85 and over. Although this age group makes up only 1.6 percent of the City’s current total population, the trend indicates an increasing demand in services for elder citizens.

Table 3
Population by Age, 1990 and 2000
City of Orange Township

	1990		2000		Change 1990-2000	
	No. of Persons	Percent	No. of Persons	Percent	No. of Persons	Percent
Under 5	2,211	7.4	2,810	8.5	599	27.1
5 to 14	3,867	12.9	5,016	15.3	1,149	29.7
15 to 24	4,450	14.9	4,575	13.9	125	2.8
25 to 34	5,724	19.1	5,423	16.5	-301	-5.3
35 to 44	4,519	15.1	5,146	15.7	627	13.9
45 to 54	2,879	9.6	3,776	11.5	897	31.2
55 to 59	1,299	4.3	1,346	4.1	47	3.6
60 to 64	1,235	4.1	1,214	3.7	-21	-1.7
65 to 74	2,087	7.0	1,915	5.8	-172	-8.2
75 to 84	1,256	4.2	1,143	3.5	-113	-9.0
85 and over	398	1.3	504	1.5	106	26.6
Total	29,925	100.0	32,868	100.0	2,943	9.8
18 and over	22,669	75.8	23,760	72.3	1,091	4.8
Over 65	3,741	12.5	3,562	10.8	-179	-4.8
Essex County						
Under 5	54,671	7.0	57,961	7.3	3,290	6.0
5 to 14	102,094	13.1	117,011	14.7	14,917	14.6
15 to 24	116,971	15.0	106,286	13.4	-10,685	-9.1
25 to 34	136,686	17.6	119,423	15.0	-17,263	-12.6
35 to 44	116,990	15.0	127,716	16.1	10,726	9.2
45 to 54	82,659	10.6	102,840	13.0	20,181	24.4
55 to 59	35,106	4.5	37,352	4.7	2,246	6.4
60 to 64	34,708	4.5	30,664	3.9	-4,044	-11.7
65 to 74	56,634	7.3	48,972	6.2	-7,662	-13.5
75 to 84	31,711	4.1	33,097	4.2	1,386	4.4
85 and over	9,976	1.3	12,311	1.6	2,335	23.4
Total	778,206	100.0	793,633	100.0	15,427	2.0
18 and over	589,569	75.8	586,683	73.9	-2,886	-0.5
Over 65	98,321	12.6	94,380	11.9	-3,941	-4.0

Source: U.S. Bureau of the Census, 1990 and 2000

POPULATION COMPOSITION BY RACE

Orange has a diverse population. The majority of the population, at 75 percent, is black. The next largest racial category at 13 percent is white. The Hispanic population comprises 12.5 percent of the population. The black or African American population is more dominant in the City than in the County where the black-white population is almost equal.

Table 4
Population Composition By Race, 2000
 City of Orange Township and Essex County

	City of Orange Township		Essex County	
	Number	Percent	Number	Percent
One race	31,295	95.2	766,478	96.6
White	4,337	13.2	352,859	44.5
Black or African American	24,685	75.1	327,324	41.2
American Indian and Alaska Native	113	0.3	1,861	0.2
Asian	415	1.3	29,429	3.7
Native Hawaiian and Other Pacific Islander	33	0.1	417	0.1
Some other race	1,712	5.2	54,588	6.9
Two or more races	1,573	4.8	27,155	3.4
Hispanic or Latino (of any race)	4,097	12.5	122,347	15.4
Not Hispanic or Latino	28,771	87.5	671,286	84.6
Total Population	32,868		793,633	

Source: U.S. Bureau of the Census, 2000

POPULATION PROJECTION (2000 – 2015)

From 2000 – 2015, the City’s population is no longer projected to increase by 12,555 persons, or a total of 45,423.

▪ INFILL DEVELOPMENT

The infill development projection is based on the number of residential Certificates of Occupancy issued and the number of units demolished. Between 1996 and 2003, the City issued a total of 339 Certificates of Occupancy for residential development. Meanwhile, a total of 222 residential units were demolished during the same period. As a result a total of 117 new residential units were added over a period of 8 years, averaging of 14.6 units per year. Taking into account that the average household size is 2.73 persons per unit, the projected population increase through infill development for the 2000 – 2014 period is 598 persons. **Adding an additional 159 for the years 2015 through 2018 brings the estimated total population due to infill development to 757.**

▪ REDEVELOPMENT AREAS

The city currently has two designated redevelopment area: Hope VI and Central Valley. A third redevelopment area, East Main Street, was rescinded by ordinance in the summer of 2008.

Table 5
Population Projection, 2000-2015
City of Orange Township

Category	Projected Housing Units	Population per Dwelling Unit*	Total Expected Population, 2015
Infill			
Historic Annual Rate of Infill	219*1	2.73*	598++
Redevelopment Areas			
Proposed Housing Units	4,380 1,100	2.73*	11,957 3,003
Subtotal Projected	4,599		12,555
2000 Census (actual)	12,665		32,868
Projected 2015	17,264		45,423

Source: Compiled by H2M Associates

* per US Census, 2000

++ *The estimated total for 2018 is 757*

The projected 2018 population based on estimated infill of 757 and estimated redevelopment population increases of 3,003 is an additional estimate of 3,760 persons living in Orange.

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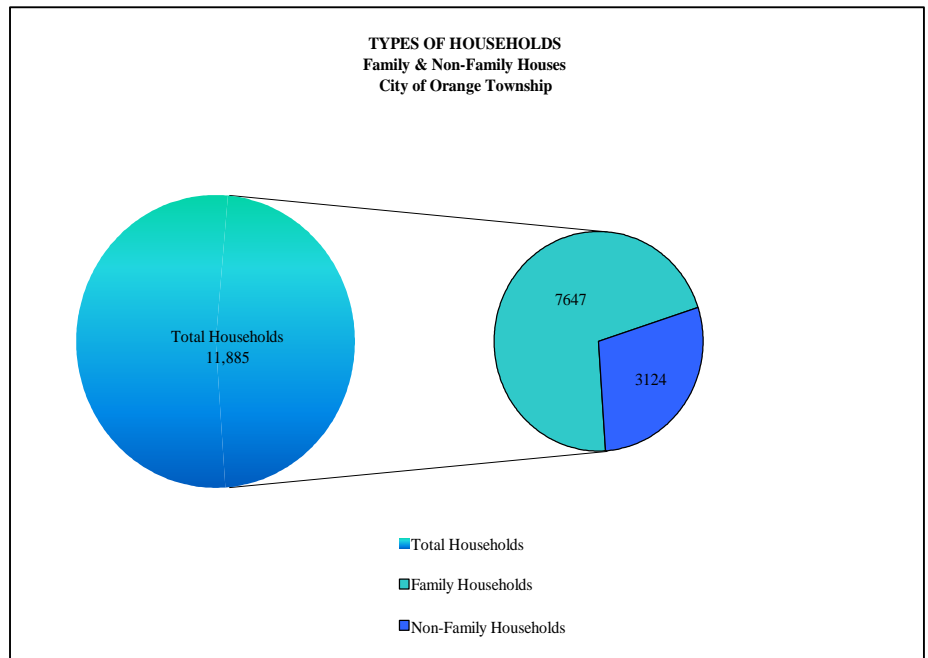
HOUSING CHARACTERISTICS

HOUSEHOLD CHARACTERISTICS

Significant household characteristics indicated by the 2000 Census, and displayed in Table 7, include:

- Of the City's family households, 30.7 percent are married households.
- Female-headed households account for 26.3 percent of the City's non-married family households.
- More than one quarter of the non-family householders (30.2 percent) live alone, of which 10.5 percent are senior citizens (age 65 and over).

Figure 3



- Forty percent of the City's households include children under the age of 18 and about one-fourth include senior citizen (65 years or older).
- The average household size in 2000 in Orange was 2.73 persons per unit, which is the same as the Essex County average of 2.72.

Figure 4

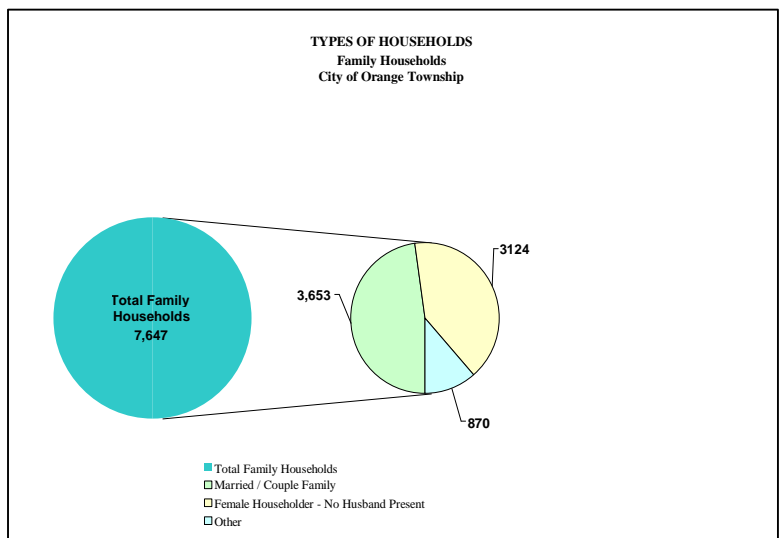


Table 7
Type of Households
City of Orange Township

Type of Household	Number	Percent
Total households	11,885	100
Family households (families)	7,647	64.3
Married-couple family	3,653	30.7
Female householder, no husband present	3,124	26.3
Non-family households*	4,238	35.7
Householder living alone	3,589	30.2
Householder 65 years and over	1,253	10.5
Households with individuals under 18 years	4,783	40.2
Households with individuals 65 years and over	2,693	22.7
Average household size	2.73	
*Not a member of a family. Roomers, boarders, resident employees, foster children etc. are included in this category.		

Source: U.S. Bureau of the Census, 2000

HOUSING UNITS CHARACTERISTICS

The majority of Orange residents, at 75 percent, reside in renter occupied year-round homes. More than 90 percent of the housing units, in the City are occupied year-round. From Table 8 it can be noted that, of the 11,885 occupied housing units in the City of Orange Township, nearly three-quarter (74.5 percent) are renter-occupied. The City, as well as the County, share similar housing characteristics. Year-round housing dominates the City at 93.8 percent, which is nearly equal to the County average of 94.3 percent. However, the City's housing tenure differs from that of Essex County, which has roughly an equal distribution of owner-occupied and renter-occupied housing units. The City of Orange however has a higher renter occupancy rate than owner occupancy rate.

Table 8
HOUSING UNIT DATA-2000
City of Orange Township and Essex County

Unit Type	City of Orange		Essex County	
	Number	Percent	Number	Percent
Occupied Year Round	11,885	93.8	283,736	94.3
Vacant, Seasonal & Recreational	780	6.2	17,275	5.7
Total	12,665	100	301,011	100
Tenure of Occupied Units				
Owner-occupied housing units	3,025	25.5	129,447	45.6
Renter-occupied housing units	8,860	74.5	154,289	54.4
Total	11,885	100	283,736	100

Source: U.S. Bureau of the Census, 2000

The age of housing stock is usually considered the most reliable indicator of substandard housing conditions, however, individual units should be considered on a case-by-case basis. Although at slightly different percentages, the structural age of the housing in the City roughly mimics that of Essex County.

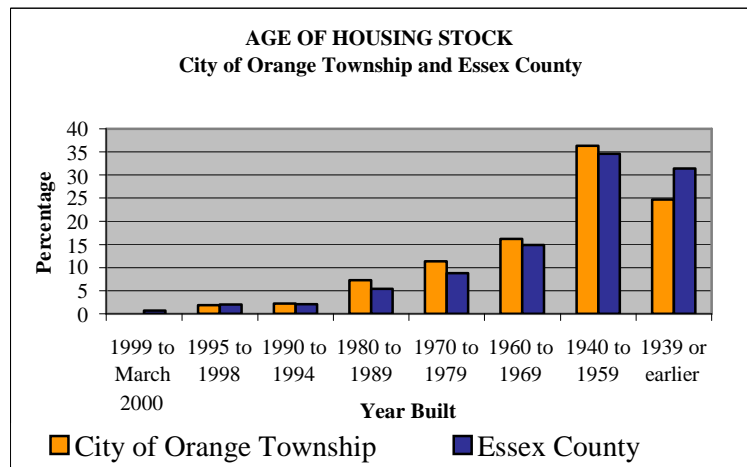


Figure 5

The City of Orange Township is a mature community with an older housing stock: more than half of the houses were built before 1939 and in between 1940 and 1959. Construction has slowed during the last two decades. The City of Orange Township, however, contains homes that are generally newer than the County, where 31.4 percent of buildings were built before 1939. Table 9 below compares the City's age of housing stock with the County as a whole.

The City offers a good mix of housing stock to meet the needs of its residents. They have a variety of housing type including: single-family detached and attached, two-family homes, multi-family homes and apartments. The City's housing stock has roughly the same characteristics as the County as a whole.

The City, however, differs from the County in the number of single-family detached housing and apartments. The City has a larger percentage of apartments, approximately 36 percent, compared to the County which has more single-family detached homes, approximately 35 percent. The City's median rooms per unit are 4.1, which is slightly lower than the County average of 4.9.

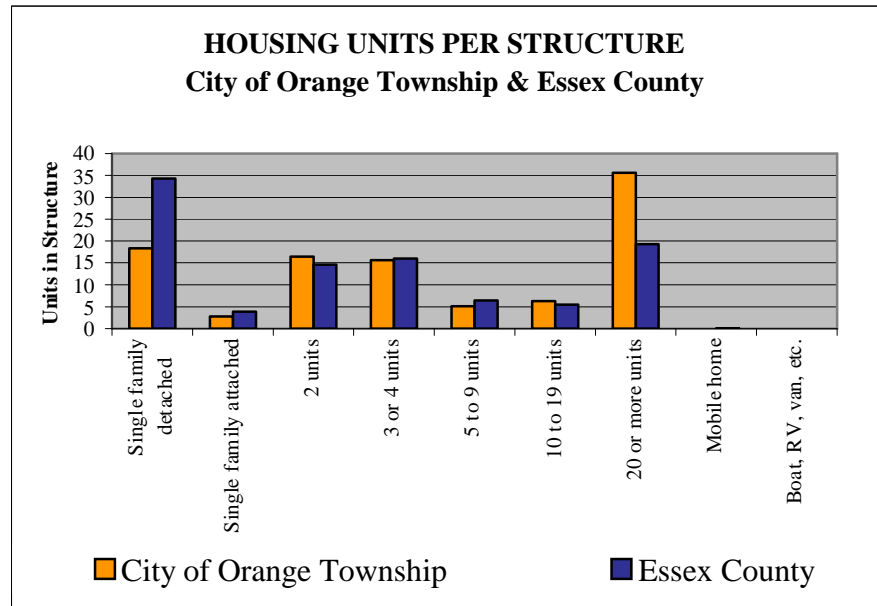


Figure 6

Table 9
Housing Unit Data
City of Orange Township and Essex County

Characteristics	<u>City of Orange Township</u>		<u>Essex County</u>	
	Number	Percent	Number	Percent
YEAR STRUCTURE BUILT				
1999 to March 2000	4	0	2,212	0.7
1995 to 1998	236	1.9	6,037	2
1990 to 1994	273	2.2	6,177	2.1
1980 to 1989	928	7.3	16,345	5.4
1970 to 1979	1,441	11.4	26,471	8.8
1960 to 1969	2,052	16.2	45,001	14.9
1940 to 1959	4,602	36.3	104,226	34.6
1939 or earlier	3,129	24.7	94,542	31.4
UNITS IN STRUCTURE				
One (Single family detached)	2,314	18.3	103,183	34.3
One (Single family attached)	351	2.8	11,848	3.9
2 units	2,083	16.4	43,847	14.6
3 or 4 units	1,971	15.6	48,235	16
5 to 9 units	652	5.1	19,146	6.4
10 to 19 units	789	6.2	16,509	5.5
20 or more units	4,505	35.6	57,987	19.3
Mobile home	0	0	221	0.1
Boat, RV, van, etc.	0	0	35	0
Total housing units	12,665	100	301,011	100
Median Rooms per Unit	4.1		4.9	
Total Number Housing Units (1990)	12,318		298,710	
Total Number Housing Units (2000)	12,665		301,011	

Percentage Change: 1990 to 2000

Source: U.S. Bureau of the Census, 1990 and 2000

Other indicators of the housing condition in the City of Orange (lack of complete plumbing facilities and lack of complete kitchen facilities) are a problem within the City and are at a slightly higher rate than the County's housing condition. Table 10 displays information that indicates substandard housing conditions.

As mentioned earlier, the age of the housing stock is usually considered the most reliable indicator of housing conditions. In Orange, however, overcrowded condition (indicated by more than one occupant per room) is an issue. Approximately 1,479 units (12.4 percent) of the City's housing stock is overcrowded, which is much higher than the County average of 7.8 percent.

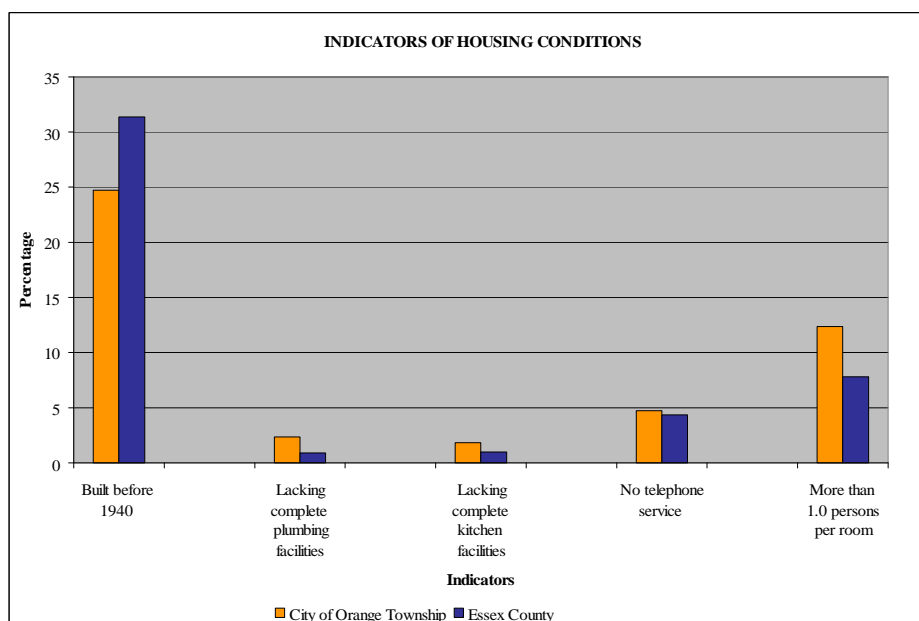


Figure 7

Table 10
Indicators of Housing Conditions- 2000
City of Orange Township, Essex County, New Jersey

Number of Units	<u>City of Orange Township</u>		<u>Essex County</u>	
	Number	Percent	Number	Percent
Built before 1940	3,129	24.7	94,542	31.4
Lacking complete plumbing facilities	283	2.4	2,651	0.9
Lacking complete kitchen facilities	210	1.8	2,773	1
No telephone service	558	4.7	12,387	4.4
More than 1.0 persons per room	1479	12.4	22,268	7.8

Source: U.S. Bureau of the Census, 2000

INCOME

The City of Orange Township is a moderate-income community with a median household income of \$35,759, which is much lower than the County average of \$44,944. However, the median household income of the City's residents increased over the last decade, at approximately 31 percent, which is slightly higher than the County average of 30 percent. The data cited in Table 11 indicates a steady gain in the median household income for the City as well as the County over the last decade.

Table 11
Per Capita Household Income, 1989 and 1999

	1989 Median Household Income	1989 Per Capita Income	1999 Median Household Income	1999 Per Capita Income
Township	27,301	12,812	35,759	16,861
County	34,518	17,574	44,944	24,943
State	40,927	18,714	55,146	27,006

Source: U.S. Bureau of the Census, 1990 and 2000

HOUSING VALUES AND AFFORDABILITY

One of the major attractions in the City of Orange is the relative affordability of its housing stock, with the majority of its housing values falling in the range \$50,000-\$200,000. Table 12 details the owner-occupied housing values in 2000. As clearly indicated, the City's housing values are much lower as compared to the County. In the City of Orange Township, 85 percent of the housing units are valued between \$50,000 and \$199,999, while the County has 83 percent of homes valued between the range of \$100,000 and \$499,000. The 2000 median housing value in the City of Orange Township was \$131,400, which was \$77,000 less than the County's median housing value of \$208,400.

Table 12
Housing Values-2000
City of Orange Township, Essex County

	<u>City of Orange Township</u>		<u>Essex County</u>	
<u>Value Range</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$50,000	60	3.3	1,243	1.3
\$50,000 to \$99,999	499	27.5	6,524	6.8
\$100,000 to \$149,999	549	30.2	16,853	17.6
\$150,000 to \$199,999	486	26.8	20,776	21.7
\$200,000 to \$299,999	166	9.1	25,237	26.4
\$300,000 to \$499,999	28	1.5	16,530	17.3
\$500,000 to \$999,999	8	0.4	6,941	7.2
\$1,000,000 or more	19	1	1,661	1.7
<u>Median (dollars)</u>	131,400		208,400	
<i>Source: U.S. Bureau of the Census</i>				

Cost-burdened households are defined as households that spend more than 30 percent of their income on housing related costs. The City of Orange Township and Essex County follow similar traits with the cost burden the homeowner and renters households share. As indicated in Table 13, only thirty percent of homeowner households and approximately forty percent of renter households, suffer from bearing the costs of housing related issues. Essex County faces a slightly higher cost-burden problem with renter households than the City. However, the homeowner households in the County spend a little less, at 31.2 percent, than the homeowner households in the City at 34.3 percent. The City's median housing value was \$131,400, whereas Essex County as a whole was \$208,400. Housing is relatively inexpensive in the City of Orange Township with a 1999 median housing value of \$131,400, 37 percent less than the County average. As a result, housing is relatively affordable in the Orange.

Table 13
Housing Values and Affordability – 1999
City of Orange Township and Essex County

	<u>City of Orange Township</u>		<u>Essex County</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
<u>Selected Monthly Owner Costs as a Percent of Household Income</u>				
Less than 15 Percent	416	22.9	25,469	26.6
15 to 19 percent	263	14.5	15,200	15.9
20 to 24 percent	259	14.3	13,742	14.3
25 to 29 percent	240	13.2	10,726	11.2
30 to 34 percent	157	8.7	7,522	7.9
35 percent or more	465	25.6	22,360	23.3
Not computed	15	0.8	746	0.8
<u>Gross Rent as a Percentage of Household Income</u>				
Less than 15 Percent	1,553	17.5	30,107	19.5
15 to 19 percent	1,188	13.4	20,680	13.4
20 to 24 percent	1,101	12.4	17,956	11.7
25 to 29 percent	1,166	13.2	15,843	10.3
30 to 34 percent	717	8.1	12,048	7.8
35 percent or more	2,748	31	49,027	31.8
Not computed	392	4.4	8,463	5.5
 Median Housing Value (1999)				
Median Gross Rent	131,400		208,400	
	687		675	

Source: U.S. Bureau of the Census, 2000

HOUSING CONSTRUCTION TRENDS

Similar to the population projections, construction trends in housing are developed based on the number of residential certificates of occupancy issued, minus the number of demolition permits issued in the same year. Table 14 shows the City's residential development trends by displaying certificates of occupancy for new construction and demolition permits issued for the 1996-2003 period. A total of 339 new residential construction and 222 demolitions have occurred during the eight-year period.

Table 14.
Historic Trends of Residential Development
Certificate of Occupancy for New Construction and
Demolition Permits issued between 1996 and 2003

Year	Certificate of Occupancy	Demolitions	Net Units
1996	11	5	6
1997	66	4	62
1998	118	5	113
1999	6	36	-30
2000	3	49	-46
2001	15	80	-65
2002	14	20	-6
2003	106	23	83
Total	339	222	117

*Source: New Jersey Department of Community Affairs, Division of
Codes and Standards*

FUTURE HOUSING PROJECTION (2005-2018)

In the next 14 years, the City is expected to increase its housing stock. This result is the anticipated redevelopment in Central Valley and Central Orange (HOPE VI) redevelopment areas. Table 15 indicates the City's future housing projection, which displays approximately 1,100 anticipated new residential units in next 10 years.

Table 15
Projected Housing Construction, 2005 – 2015
City of Orange Township

	<u>Projected Units</u>
Infill Development	146++
Redevelopment Areas	-
Proposed Housing Units	1,100
TOTAL	1,246

++ Using 14.6 as the number of estimated annual infill units, the projected number of units from 2015 to 2018 would be 14.6 annually or 58 additional infill units for an estimated total of 1246+58 or 1,304 total units by 2018.

Similar to the population projections, the future housing projections can be broken down into two components: Infill development and Redevelopment Areas.

▪ **INFILL DEVELOPMENT**

Based on the housing construction trends as indicated in Tables 14, the City is projected to experience an average of 42.4 new residential constructions annually. This number is based on the historic trends of Certificates of Occupancy issued during the 1996-2003 period. Meanwhile, the City is projected to experience an average of 27.75 demolitions annually. Because the City has experienced a fairly high number of demolitions, the City is projected to experience a net average of 14.6 new units annually.

▪ **REDEVELOPMENT AREAS**

As indicated earlier, in the following years, there are plans to increase the City's housing supply in Central Valley Redevelopment Area (600 units) and Central Orange Redevelopment Area (500 units).

Central Valley: This is the area generally located between Scotland Road and the West Orange boundary, between Central Avenue and Nassau Street.

Central Orange (HOPE VI): This is the area generally located between Interstate Route 280 and Central Avenue between the East Orange boundary and South Essex Street, inclusive of the frontages on both Central Avenue and south Essex Street.

EMPLOYMENT AND LABOR FORCE CHARACTERISTICS

EMPLOYMENT TRENDS

Covered employment in the City of Orange has been improving for the last few years. In 2000, employment in Orange increased significantly, at 5 percent, as compared to the County with an increase of only 1.5 percent. Orange experienced significant shifts in its employment rate over the last decade. The employment has been steadily declining since 1993. In 1996 and 1997, Orange experienced significant declines in employment, at 10.8 and 10 percent respectively. However, since 2001 the percentage change in employment for the City, has been improving with an increase of approximately one percent each year.

Employment in the County has been fluctuating, with a slight increase during the 1994 and 1995 at less than one percent and 1.2 percent respectively. In 1996, employment declined by 1.3 percent but bounced back in 1997 with a 1.1 percent increase. While employment in the City has been improving since 2001, the County has been experiencing a steady decline in its employment rate.

Table 16
Covered Private Sector Employment
City of Orange Township and Essex County

Year	<u>City Of Orange Township</u>			<u>Essex County</u>		
	Employment	Change	% Change	Employment	Change	% Change
1993	8,106			285,875		
1994	7,708	-398	-4.9	287,127	1,252	0.4
1995	7,280	-428	-5.6	290,442	3,315	1.2
1996	6,493	-787	-10.8	286,721	-3,721	-1.3
1997	5,843	-650	-10.0	289,948	3,227	1.1
1998	5,719	-124	-2.1	289,888	-60	0.0
1999	5,693	-26	-0.5	292,191	2,303	0.8
2000	5,983	290	5.1	296,553	4,362	1.5
2001	5,490	-493	-8.2	292,233	-4,320	-1.5
2002	5,527	37	0.7	289,165	-3,068	-1.0
2003	5,559	32	0.6	285,480	-3,685	-1.3
Total		-2,413			6,316	

Source: New Jersey Department of Labor and Workforce Development

LABOR FORCE CHARACTERISRICS

Orange offers good employment opportunities to its residents in a variety of occupations. Nearly thirty percent of the City's employees work in sales and office positions, followed by a quarter of employee population working in management, professional and related occupations and 23.1 percent employed in service occupations. The remaining labor force is engaged in production/transportation/material moving occupations (14.4 percent), and construction/extraction/maintenance occupations (7.7 percent). A very small percent of the City's population is engaged in farming, fishing and forestry. Essex County has a larger number of workers in the Management, professional & related occupations than in other occupations. As compared to Essex County, Orange has a higher percentage of employees in the sales and office positions.

Table 17 also identifies the class of workers found in Orange and Essex County. As expected, the largest sector of workers for both the City and the County are in the private sector, representing 79.1 percent and 79.9 percent, respectively. Government is the second highest employee class for both the City and the County. Although at slightly different percentages, the class of workers in the City roughly mimics that of Essex County.

Table 17
EMPLOYMENT DATA - 2000 OCCUPATION CHARACTERISTICS

City of Orange Township and Essex County

Occupation	<u>City of Orange</u>		<u>Essex County</u>	
	<u>Township</u>			
	Number	Percent	Number	Percent
<i>Management, professional, & related</i>	3,513	25.6	119,659	35.6
<i>Service</i>	3,170	23.1	53,121	15.8
<i>Sales and office occupations</i>	3,975	29	97,192	28.9
<i>Farming, fishing, & forestry</i>	23	0.2	207	0.1
<i>Construction, extraction, & maintenance</i>	1,061	7.7	22,811	6.8
<i>Production, transportation, & material moving</i>	1,968	14.4	43,400	12.9
Workers 16 years and over	13,374		328,214	
Class of Worker				
<i>Private wage and salary workers</i>	10,845	79.1	268,634	79.9
<i>Government workers</i>	2,360	17.2	51,304	15.3
<i>Self-employed workers</i>	491	3.6	15,783	4.7
<i>Unpaid family workers</i>	14	0.1	669	0.2
Commuting to Work				
<i>Drove alone</i>	7,033	52.6	201,772	61.5
<i>Carpooled</i>	2,224	16.6	39,295	12
<i>Public transportation</i>	3,140	23.5	61,185	18.6
<i>Walked</i>	668	5	13,922	4.2
<i>Other means</i>	124	0.9	2,934	0.9
<i>Worked at home</i>	185	1.4	9,106	2.8

Source: U.S. Bureau of the Census, 2000

The City of Orange Township's commutation patterns generally follow the same trend as Essex County as a whole. More than half of the City's labor force (52.6 percent) drives alone to work, while almost a quarter use public transport and one-eighth carpool. In the County, 61.5 percent of the workforce drives to work and approximately 18.6 percent used public transport.

NON-RESIDENTIAL DEVELOPMENT TRENDS

Between 1996 and 2003, the City of Orange Township had significant non-residential development. During the eight-year period, the City added office space, educational space and retail development. As shown in Table 18 below, the City added approximately 285,000 square feet of non-residential space over a period of eight years, averaging approximately 36,000 square feet per year. The City had a non-residential development projection of 355,762.5 square feet for the next ten years.

Table 18 Historic Trends of Non-Residential Developments Square Footage of Non-Residential Space Reported on Certificates of Occupancy (1996-2003)							
City of Orange Township							
Year	Office	Retail	Storage	A-3 ¹	A-4 ²	Education	Industrial
1996	0	13,428	380	0	0	0	0
1997	12,495	0	0	0	15,945	0	0
1998	3,000	6,928	0	2,550	0	33,016	0
1999	47,450	0	14,100	0	0	24,439	0
2000	47,450	0	0	0	0	945	550
2001	0	5,981	0	0	0	0	11,234
2002	4,950	0	0	0	14,400	0	0
2003	5,750	19,219	0	400	0	0	0
Total	121,095	45,556	14,480	2,950	30,345	58,400	11,784
Annual Avg.	15,137	5,695	1,810	369	3,793	7,300	1,473
10-Yr. Growth	151368.75	56945	18100	3687.5	37931.25	73000	14730
Source: New Jersey Department of Community Affairs, Division of Codes and Standards							
1 lecture halls, art galleries, or churches							
2 Assembly use including arena, skating rinks and pools							

FUTURE COMMERCIAL DEVELOPMENT AND EMPLOYMENT PROJECTIONS (2004-2014)

Table 19 indicates the City's projected non-residential development for the 2004 – 2014 period. In the next 10 years, the City is expected to add approximately 605,763 square feet of non-residential spaces, which will generate approximately 796 new jobs.

Table 19		
Projected Non-Residential Construction and Employment, 2004-2014		
City of Orange Township		
	Projected Square footage	Number of new jobs
Infill Development	355,762.5 (35576 sq. ft/yr)	740 jobs (74 jobs per year)
Redevelopment		
Proposed Office space	15,000	6
Proposed Retail space	50,000	50
Total	420,762.5 sq. ft.	+ 796

Source: COAH Substantive Rules Appendix E

Office: 3 jobs per 1000 sq. feet

Retail: 1 job per 1000 sq. feet

+Adding an additional estimated 74 jobs per year for 2015-2018 would generate 296 additional jobs by **2018 for a total estimate** of 796+296 or **1,092 jobs**.

▪ **INFILL DEVELOPMENT**

Based on historic trends of Certificates of Occupancy issued for non-residential development, the City is projected to add 35,576 square feet of non-residential spaces annually. As the City continues to develop there will be a fair number of jobs created in this area. Based on the ratio used by COAH, approximately 740 jobs will be created in the next 10 years in the City.

▪ **REDEVELOPMENT AREAS**

The City's redevelopment areas include 15,000 square feet of office space and 50,000 square feet of retail space. The potential commercial area will add approximately 56 jobs in the next 10 years.

SECTION III: FAIR SHARE OBLIGATION

PRE-CREDITED NEED

The New Jersey Council on Affordable Housing (COAH) has adopted rules for the Third Round (2004 – 2018) affordable housing obligation. Prior to June 2008 amendments, the pre-credited need consists of the following components:

1. **Rehabilitation:** Deficient housing units occupied by low and moderate-income households which are referred to as rehabilitation share. The City has a pre-credited need of 225 units;
2. **Prior Round:** Remaining Prior Round (1987 – 1999) Obligation assigned to a municipality by the Council or the court for the period 1987 through 1999. The City has zero prior round obligation.
3. **Growth Share:** The share of the affordable housing need generated by a municipality's actual growth (2004 – 2014) based upon the number of new housing units constructed and the number of new jobs created as a result of non-residential development. The City has a growth share obligation of 467 units.

The City of Orange Township accepts its Fair Share Obligation by 2018 as 569 units. Utilizing updated COAH formulas, the growth share for the City is 100 units and the Rehabilitation obligation is 469 units.

REHABILITATION COMPONENT

LOW-MODERATE DETERIORATION SHARE

Rehabilitation share is an estimate of the total number of deficient housing units occupied by low- and moderate-income households within the community. It is estimated through the use of 2000 census data. Three housing quality factors are used to determine housing deficiency as described below;

1. Crowding – 1.01 or more persons per room, in housing built 1939 or earlier, with complete plumbing
2. Plumbing – units lacking complete plumbing
3. Kitchen – units lacking complete or in-unit kitchen facilities

The City of Orange Township has a total of 628 deteriorated housing (as of 2005), of which 230 units are overcrowding, 283 units lack complete plumbing and 115 units lack complete or in-unit kitchen facilities (not crowded nor lacking complete plumbing). The total of 628 deteriorated housing is then multiplied by the regional income/deterioration percentage. Orange is located in the Region 2, which consists of Essex, Morris, Union and Warren counties. The regional income/deterioration percentage of the region is 0.714. Therefore, the low-moderate deterioration share for City of Orange Township is 448 (628×0.714).

REDUCTIONS: REHABILITATION SHARE CREDIT AND SPONTANEOUS REHABILITATION

The low and moderate-income share of housing deterioration (448) is reduced to 252 units by subtracting the Reallocated Present Need from Round Two which is 196 (allocated to those locations where rehabilitation need is increasing). Spontaneous Rehabilitation measures the private market's ability to rehabilitate deficient low and moderate-income units up to code standard. It will cause a reduction in the total municipal need. Spontaneous rehabilitation is positively correlated with income. In City of Orange Township, spontaneous rehabilitation will cause a net reduction of 27 units.

CREDITS:

▪ ESSEX COUNTY HOME IMPROVEMENT PROGRAM

The Essex County Home Improvement Program is designed to assist low and moderate-income homeowners to rehabilitate existing one- and two-family housings. Based on income, a homeowner may be eligible for a 3% deferred loan for eligible home improvement. The program provides loans up to \$17,500 for a one-family home and up to \$25,000 for a two-family home at a rate of 3%.

Since April 1, 2000, 51 units in the City have been rehabilitated through this program. A detail of the rehabilitated units is provided in Appendix A. A copy of the Essex County Home Improvement Program Policies and Procedures manual is provided in Appendix B.

▪ NEIGHBORHOOD PRESERVATION PROGRAM

The Neighborhood preservation Program (NPP) is designed to provide municipalities and families the funds and technical support they need to preserve their neighborhoods and homes. Townships are chosen through a competitive application process and are awarded grants or loans over a three to five-year period. The towns then work with targeted neighborhoods and/or families to preserve and revitalize their properties.

Since April 1, 2000, 21 units in City have been rehabilitated through this program. A detail of the rehabilitated units is provided in Appendix C. A copy of the City's NPP Program Policies and Procedures manual is provided in Appendix D.

SUMMARY: REHABILITATION SHARE

The City of Orange Township was required to rehabilitate 153 units to fulfill the second round rehabilitation component. It is now required to rehabilitate 469 units by 2018 using COAH's third round calculations. Using revenues from the revised and updated development fee ordinance (Chapter 210-31 et. seq.) of the City of Orange Township Development Regulations Ordinance, the City will continue to rehabilitate housing for low and moderate income families using no more than 20% of revenues generated from fees for administrative purposes and will continue to utilize the former RCA rehabilitation program to create low and moderate income housing without using RCA funds.

Table 21

Rehabilitation Share (2005 – 2015)

City of Orange Township, Essex County

Rehabilitation Share	225
Rehabilitation Credits	72
Total	153

PRIOR ROUND OBLIGATION (1987-1999)

The Prior Round (1987 – 1999) Obligation is the recalculated and readjusted Prospective Need from Round 1 as described in N.J.A.C. 5:93-2.8, the recalculated and readjusted Prospective Need from Round 2 and the Reallocated Present Need from Round 2. The City of Orange Township has no Prior Round Obligation.

GROWTH SHARE (2004-2018) is 100

The “Growth Share” for the period January 1, 2004 through January 1, 2018 is calculated based on municipal growth projections pursuant to N.J.A.C. 5:94-2.2. Projections of population and employment growth are converted into projected growth share affordable housing obligations by applying a ratio of one affordable unit for every nine new market-rate residential units projected, plus one affordable unit for every 16 newly created jobs as measured by new or expanded non-residential construction within the municipality in accordance with Appendix E, as projected in the municipality pursuant to N.J.A.C. 5:94-2.4. The growth share projections are converted into actual growth share obligation when market-rate units and newly constructed and expanded non-residential developments receive permanent certificates of occupancy, pursuant to N.J.A.C. 5:94-2.5.

Table 23 summarizes the City’s former “growth share” obligation between 2004 and 2014. The City’s growth share comprises of two components: Infill and redevelopment areas. The City has an obligation of 16 units through Infill housing development and an obligation of 30 units from infill non-residential development. The redevelopment areas would generate an obligation of 496 additional units for the City resulting in a total obligation of 542 units.

Table 23 no longer applies because the City of Orange Township accepts COAH’s Fair Share Obligation of the creation of 569 units by 2018.

▪ **INFILL DEVELOPMENT**

Based on the employment and housing projection analysis in section II, City of Orange Township is projected to provide 46 affordable housing units. Table 24 summarizes the future affordable obligation based for this portion of the City.

Table 24			
Infill Development			
City of Orange Township			
		Growth Projections (2004-2014)	Obligation
Infill development			
Projected Residential Development	14.6 units/year	146 units	16 units
Projected Employment Growth	74 jobs/year	740 jobs	30 units
Total			46 units

▪ **REDEVELOPMENT AREAS** (this section no longer applies)

Based on the employment and housing projection analysis in section II, the Redevelopment Areas are projected to provide 496 affordable housing units. Table 25 summarizes what was the future affordable obligation based for this portion of City.

Table 25 Projected Development- Redevelopment Areas City of Orange Township			
REDEVELOPMENT			
Proposed Housing Units	4,380 units	487	units
East Main Street	380 units		
Central Valley	1,500 units		
Central Orange	2,500 units		
Proposed Office space	50,000 sq. ft.	1	units
Proposed Retail space	200,000 sq. ft	8	units
TOTAL		496	units

* 1 units per 9 new units

** 1 unit per 25 new jobs created

CREDITS (This is section on Credits no long applies)

COAH offers credits, reductions, and adjustments for affordable housing activity undertaken by the municipalities. The City has been active in providing a range of affordable housing options to its residents, creating a total credit of 959 units.

Affordable Rental Projects:	351 units
Affordable Owner-Occupied Housing:	90 units
Affordable Age-Restricted Housing:	271 units
Alternative Living Arrangements:	31 units
Rental Bonus:	<u>216 units</u>
Total Credits:	959 units

▪ **NEW CONSTRUCTION**

The City of Orange Township has been actively promoting the development of affordable housing over the past twenty years. As a result, the City has a significant supply of affordable housing including 351 units of rental housing and 90 units of owner-occupied housing. While some the earlier units no longer qualify for credits because the deed restrictions have expired, a significant number of units will still be deed restricted during the 2004 – 2014 time period. Supporting documentation, in the form of actual deed restrictions and project descriptions, are available in the Orange Township Tax Assessors office (29 North Day Street, Orange, NJ 07050).

Table 26
Affordable Rental Projects

Name	Address	Units	Program	Year Built	Rehab Year	Agent
Christopher St. Apts. 2	560 Christopher St.	16	-		1991	RPM
Lincoln Ave. Apts.	651-661 Lincoln Ave.	67	tax credit.	1927	1996	RPM
Lincoln Court	357-363 & 365-373 Lincoln Ave.	75	HMFA/tax credit/Bal Hsg.	1929	1998	Regan
The Berkeley	268 South Center St.	50	HMFA/tax credit/Bal Hsg.	1929	1997	RPM
Valley View Apts.	493 Valley St.	24	tax credit.		1994	RPM
Millennium Homes	Washington and Day St	38	Bal. Hsg.	2005		RPM
South Essex Court		75		2006		RPM
182 Pearson Street	-	6	-		1990	RPM
Total		113				

Highlighted projects are included in Orange's new 2004 to 2018 totals

Table 27
Affordable Owner-Occupied Projects

Name	Address	Units	Program	Year		Agent
				Built	Rehab Year	
Hands McChesney St	McChesney St	5	Home	1994		HAS
East Ward Operation neighborhood		12	Bal. Hsg.	1839-1906	2002-2005	HAS
Orange Neighborhood Revitalization	Scattered sites	11	HMFA			HANDS
Orange two-family Production	Scattered sites	36	Bal. Hsg.			HAS
Russ "Pop" Monica Homes		16	Bal. Hsg.		1997-1999	HAS
	1 Russ Pop Monica				1997-1999	
	2 Russ Monica Court				1997-1999	
	3 Russ Monica Court				1997-1999	
	4 Russ Monica Court				1997-1999	
	5 Russ Monica Court				1997-1999	
	6 Russ Monica Court				1997-1999	
	8 Russ Monica Court				1997-1999	
	10 Russ Monica Court				1997-1999	
	12 Russ Monica Court				1997-1999	
	14 Russ Monica Court				1997-1999	
Century Homes/Atlas Homes		10	Home	1884		HAS
	151 Chapman Street					
	185 Hickory Street					
	577 Christopher Street					
	581 Christopher Street					
	27 Hillyer Street					
	31 Hillyer Street					
	74 William Street					
Total		59				

Highlighted projects are included in Orange's 2004-2018 totals

▪ AGE RESTRICTED HOUSING

The City of Orange Township has five Senior Housing Projects including Oakwood Towers, Orange Park Apartments, Orange Senior Citizen Apartments, Salem Towers and Orange Senior Housing. These projects combined have a total of 727 units that are entitled for credit. For the third round, the City can only take credit for the maximum number of affordable senior housing units that are required under their Fair Share Obligation. Accordingly, only 271 of these housing units are eligible for credit.

Table 28
Affordable Senior Housing Projects

Name	Address	Units	Program	Year Built	Rehab Year	Agent
Oakwood Towers	400 Oakwood/East Highland, Orange, NJ-07050	237	HMFA/Section 8	1983	-	Oakwood Towers
Orange Park Apts.	286-306 Oakwood Ave, Orange, NJ-07050	144	HMFA/Section 8	1983	-	Orange Park Apts.
Orange Senior Citizens	355 Thomas Blvd., Orange, NJ-07050	133	HMFA/Bal Hsg.	1980	-	Orange Senior Citizen
Salem Towers/High Street Associates	98 High Street, Orange, NJ-07050	113	HMFA/Section 236	1924	1982	Salem Towers
Orange Senior Housing	132 William Street, Orange, NJ	100	Bal. Hsg.	2003		New Community Corporation

Subtotal

100

*Highlighted project is currently **not included** in Orange's COAH credit inventory because it was new construction completed in 2003. If this project can be counted towards Orange's third round obligation, the City of Orange Township will have already exceeded their 2004-2018, third round COAH obligation.*

▪ **ALTERNATIVE LIVING ARRANGEMENTS**

COAH allows municipalities to claim credit for “alternative living arrangements,” including transitional facilities for the homeless, residential health care facilities as regulated by the New Jersey Department of Senior Services or the New Jersey Department of Human Services. The unit of crediting for an alternative living arrangement is the bedroom that received certificates of occupancy after April 1, 1980. The City of Orange Township has three group homes with a total of 31 bedrooms that are eligible for credit as alternative living arrangement. Crediting information for these facilities is provided in Appendix G. All of these units are eligible for credit.

Table 29
Alternative Living Arrangements

Name of Providers	Funding Source	Number of Group Homes	Location	No. of Bedrooms
ARC of Essex	Division of Developmental Disability	1	366 Highland Ave., Orange, NJ 07050	9 bedrooms
	Division of Developmental Disability		765 Vose Ave., Orange NJ	18 bedrooms
		1		
St. John's Community Services	Division of Developmental Disability	1		4 bedrooms
				31 bedrooms

Highlighted projects are included in Orange's 2004-2018 totals

An additional credit of 6 beds plus bonus credits was discovered at 231 Roberts Road—North Jersey Cerebral Palsy of North Jersey has occupied this location since 2006.

▪ **RENTAL BONUS CREDITS**

Every municipality has an obligation to create a realistic opportunity to construct rental units. Pursuant to N.J.A.C. 5:94-4.20, at least 25 percent of the Growth Share obligation must be rental units. This generates a minimum rental obligation of 136 units of affordable housing units. COAH grants a bonus credit for rental units that are available to the general public and exceed the municipality's minimum rental obligation. The City of Orange has 351 rental units that are available to the general public, creating a rental bonus credit of 216 units.

FAIR SHARE PLAN

The City of Orange had addressed its Growth Share Obligation by providing housing credits for a total of 959 units, providing an excess of 417 units. In addition, the City has 456 surplus senior citizen housing credits that can be applied to the next round obligation. Thus, Orange's affordable housing obligation through the 1987-2014 period, was to rehabilitate a total of 153 affordable housing units.

The City formerly managed a rehabilitation program using funds received from Regional Contribution Agreements. Units rehabilitated under this program, however, do not qualify for credit since they are transfers from another municipality. Therefore, the City expanded this program through funds acquired from a Development Fee Ordinance. As of December 2008, no fees have been collected but the City is willing to amend the ordinance to increase development fees to COAH mandated 2.5% of project cost for non-residential development and 1.5% for residential development fees.

The City will also continue to use the Essex County Rehabilitation program. This provides deferred payment loans to low and moderate income homeowners occupying one to three families, in the Essex County consortium, for the purpose of rehabilitation. A copy of this program manual is provided in Appendix A.

UPDATED FAIR SHARE PLAN

The City of Orange Township Planning Board amended its Housing Element and Fair Share Plan at a public hearing on October 29, 2009 to include the creation of affordable housing as a goal of the Orange Master Plan. The resolution was memorialized in November and on December 2, 2008, the City of Orange Township Council endorsed by Resolution 363-2008 the plan as amended and authorized the submission of this petition for substantive certification by the Council on Affordable Housing (COAH). The table that accompanied the original resolution was incorrect because it included residential units that had created using RCA funds. Table 30 is a more accurate representation of affordable units that have been created since 2004 (in some cases rehabilitation credits are taken for the period of 2000 to 2004) It indicates that Orange Township will create 562 of its 569 affordable housing obligation by 2012

In addition to the 562 units identified, the Fair Share Plan has been amended to establish a rehabilitation program (based on a former RCA rehabilitation program but that will be modeled after COAH recommendations). The rehabilitation program will enable the City of Orange Township to meet their rehabilitation share (469 units) and growth share (100 units).

Table 30
Actual and Estimated Affordable Housing Units Located within Orange Township

Affordable Housing Units Constructed in Orange Since January 1, 2004 (estimates)						
Developer	Location	Total Units	Affordable Units/Credits	Year Completed	In RA .+ Credit	
HANDS	scattered site rehab	40	40	since '04		
NPP Program	neighborhood site rehab	22	22			from Hsing Element Appendix C
Essex County Rehab Pgm	neighborhood site rehab	51	51			from Hsing Element Appendix A
Group Homes	scattered sites					from 2005 Hsing Element p. 43
ARC of Essex	366 Highland Ave. Bedrooms:	9	9	.25 credit	2.25	
ARC of Essex	765 Vose Ave. (ck add) *** Br:	18	18	per bedroom	4.5	
St. John's Comm. Ser.	Div. Of Devel., Disability*** Br:	4	4		1	
NJ Cerebral Palsy	231 Roberts Road***	6	6	2006	1.5	
RPM**	Millennium Homes-Wash & Day	38	38	2005		
RPM	S. Essex Ct--new const	75	75	2006	22.5	
RPM**	Grand Central at Orange	58	12	prop 2009	3.6	(10 choice units not incl.)
HANDS	400 S. Jefferson	8	8	prop 2009	2.4	
HANDS	Church View: Center St.	8	8	prop 2010	2.4	
HANDS	534 Mitchell	60	30	prop 2010	9	
SEEDS	498 Main St***	19	19	.+ prop 2010	16	
SEEDS	449 Main St. 16 Ridge***	9	9	.+ prop 2010	18	
Orange Housing Auth.	Parrow St./Wilson Place	75	75	prop 2011	22.5	
Harvard Development Co.	Scotland Road	128	25	prop 2011	7.5	
Totals Since 2004:		628	449		113.15	
Estimated New Construction and Rehab COAH Credits through 12/31/10:					562.15	
* Balance Housing						
**Using Choice program						
*** Special Needs Housing						
.+ Double Credit						
RA: Located within Redevelopment Area eligible for bonus .3 credit per unit						
COAH Requirements: (as of 6/16/08)				New Construction:	233.00	
	Growth Share	100		Credits	113.15	
	Rehabilitation	469		Rehab	216.00	
	Total Obligation through 2018:	569	0	Total:	562.15	
Projected as of December 2012						

The amendments to the Housing Element of the Orange Master Plan are presented and adopted as follows:

VII. HOUSING ELEMENT

(adopted amendments at the October 29, 2008 Orange Planning Board Meeting—endorsed by City Council on 12/2/08 by Resolution # 363-2008)

The City of Orange Township's present concern with the housing supply is the age of the housing stock, its overcrowding condition and large share of rental units. Nearly fifty percent of the houses in the City were built before 1940 and approximately one of eight houses has overcrowded conditions. The housing plan therefore, focuses on the rehabilitation of these units (Figure 7). *In addition to rehabilitation and relief of over crowding, additional objectives are the creation of affordable housing, promotion of home ownership and assistance in preventing foreclosure for existing homeowners.*

The majority of residents (75%) reside in renter occupied housing (Figures 8 and 9). ~~Three proposed~~ Two redevelopment plans: ~~East Main Street~~, Central Valley and ~~Hope VI Central Orange~~ focus attention for the future on producing market rate housing to begin to "balance" the housing inventory. If approximately ~~4,000~~ 1,100 market rate units are produced in the next twenty years, and the existing inventory remains relatively constant, largely through rehabilitation and new construction replacing the demolition of units housing low and moderate income households, the distribution would be approximately 43% owner and 57% renter occupied units. Achieving this type of balance is essential to increase the amount of ratables. In addition, although difficult to measure, owner occupied housing usually promotes a greater sense of community.

One of the major attractions to the City of Orange Township is the relative affordability of its housing stock. The vast majority of its housing values, actually 85 percent, are between \$50,000 and \$200,000 while Essex County has 83 percent of homes valued between \$100,000 and \$500,000. The 2000 median housing value in the City of Orange Township was \$131,400, which was \$77,000 less than the County's median housing value of \$208,400. Since housing is "a good bargain" in Orange, only thirty percent of homeowner households and approximately forty percent of renter households spend more than one-third of their income for shelter (Figures 10 and 11).

In the past ten years the net housing units in Orange only increased by slightly more than 100 (Figure 12). However, through redevelopment there is the potential of substantially increasing the housing stock in the next twenty years.

Using the *previous* formulas provided by the New Jersey Council on Affordable Housing (COAH), the affordable housing obligation for ~~the next~~ ten years, through 2014, is only the rehabilitation of 153 housing units (Figure 13) or approximately 15 units per year. *However, in order to meet Orange's third round obligation (identified in June Of 2008) for the time period between 2004 and 2018, COAH has determined that 469 affordable housing units are needed and a "growth share" of 100 housing units*

In summary, building new market rate housing in ~~three~~ redevelopment areas has the potential of providing substantial growth to the housing and population supply while improving the "balance" between renter and owner occupied units. However, attention must also continue to be given to the rehabilitation primarily of *affordable*, low and moderate income housing since this is a very large component of the housing inventory.

Most importantly, Orange should do everything possible to maximize its connectivity to job centers in order to increase the appeal of the housing stock. Such efforts might include expansion of Midtown Direct service; improved shuttle service.

Figure 13 address~~es~~*ed* the City of Orange Township's affordable housing obligation, which is comprised of the Rehabilitation Share, Prior Round obligation, and the Growth Share (future obligation 2004-2014). The City's prior round obligation ~~is~~ was zero (0) units. Therefore, the focus of the Plan is on the Rehabilitation Share and the Growth Share obligation.

The City's Rehabilitation Share, after credits for rehabilitation activities that ~~have taken~~ *took* place since April 1, 2000, ~~was for~~ 153 units. The City's Growth Share obligation ~~is~~ *was* 542 units. ~~However,~~ The City ~~has~~ *had* over 1,031 units worth of credits, which effectively eliminates the Growth Share obligation. Shown below is a summary of the City's affordable housing obligation through the year of 2014. *At the present time, COAH regulations adopted in the summer of 2008, do not allow excess/surplus credits to be counted against the obligation.*

Figure 13
Summary of Affordable Housing Obligation (2004-2014)

City of Orange Township

	Pre-Credited Need	Credit	Obligation
Rehabilitation	225	72	153
Prior Round	0	0	0
Growth Share	542	959	0
Total	767	1031	153

The City ~~has~~ *had* a pre-credited rehabilitation need of 225 units. ~~However,~~ The City ~~has~~ *had* earned 72 credits through successful operation of two programs: Essex County Home Improvement Program and the Neighborhood Preservation Program, with a remaining obligation of 153 units. *The Essex County Home Program is still being utilized but the City no longer has an active NPP program and the City has no prior round obligation.* The City's pre-credited growth share need of 542 units ~~includes~~ *includes* its obligation from infill development and the proposed redevelopment projects. The affordable housing activities such as senior housing projects, low/moderate income housing projects, alternative living arrangements, etc. undertaken by the city has resulted in a total credit of 959 units *using old COAH formulas*. Thus, the City ~~has~~ *had* a total of 767 pre-credited need, 1031 credit and an obligation of 153 units.

At the present time, COAH regulations adopted in the summer of 2008, does not allow excess/surplus credits to be counted against the obligation.

Figure 13a address the City of Orange Township's revised obligation

Figure 13.a (This table has since been updated and is identified as Table 30 on page 42)

Affordable Housing Units Constructed in Orange Since January 1, 2004 (estimates)					
Developer	Location	Total Units	Affordable Units	Year Completed	In RA
HANDS	scattered site rehab	40	40	since '04	
RPM**	Millennium Homes-Wash & Day	38	38	2005	
RPM	S. Essex Ct--new const	75	75	2006	22.5
RPM	307 Washington	51	51	2008	
RPM**	Grand Central at Orange	45	10	prop 2009	3
HANDS	400 S. Jefferson	8	8	prop 2009	2.4
Harvard	Harvard Printing Site	128	24	prop 2010	7.2
HANDS	Church View: Center St.	8	8	prop 2010	2.4
SEEDS***	498 Main St.	19	8	prop 2010	16
HANDS	534 Mitchell	60	30	prop 2010	9
Totals Since 2004:		472	292		62.5
Estimated New Construction and Rehab COAH Credits through 12/31/10:					354.5
* Balance Housing					
**Using Choice program					
*** Special Needs Housing					
.+ Receive Double Credits					
RA: Located within Redevelopment Area eligible for bonus .3 credit per unit					

Most importantly, Orange should do everything possible to maximize its efforts to job centers in order to increase the appeal of the housing stock. Such efforts might include: expansion of Midtown Direct service and improved shuttle service.

Italics indicates new/additional words or changed tenses

~~Strikethrough~~ indicates deletion of text

APPENDIX A

ESSEX COUNTY HOUSING REHAB PROGRAM

CREDITING DOCUMENTATION: Essex County Housing Rehab Program

MUNICIPALITY: City of Orange Township

COUNTY: Essex County

A. Details - Completion since April 2000

ESSEX COUNTY HOUSING REHAB PROGRAM				
Acc.#	Address	Units	Contract Date	Amt. in \$
2854	197 Parrow Street	1	4/5/2000	2800.00
2874	127 Ridge Court	2	4/5/2001	2750.00
2900	225 Baldwin Terrace	1	4/10/2001	22975.00
2881	427 New England Terrace	3	8/10/2001	30300.00
2911	134 High Street	1	6/27/2001	24700.00
2949	579 Argyle Avenue	2	1/10/2003	20300.00
2957	556 Liberty Street	1	1/22/2002	22975.00
2974	444 Burnside Street	1	10/15/2003	25000.00
2976	284 Ogden Street	2	7/31/2003	24800.00
2987	572 Lincoln Avenue	1	5/20/2003	25000.00
3010	156 Pierson Street	2	9/30/2003	28120.00
3031	320 Hawthorne Street	1	10/27/2004	25000.00
3034	369 Hawthorne Street	1	12/5/2003	25000.00
3053	583 Langdon Street	1	1/26/2004	25000.00
3054	630 Valley Street	3	6/28/2004	40000.00
3057	19 Hillyer Street	1	2/15/2005	25000.00
3065	183 Chapman Street	2	3/25/2004	6500.00
3083	206 Mt. Vernon Avenue	2	1/12/2004	21400.00
3091	521 Cary Street	1	2/25/2005	25000.00
3104	237 Cleveland Street	1	9/13/2004	25000.00
3111	204 Hickory Street	2	3/2/2004	4200.00
3112	180 Oakwood Place	2	11/18/2004	28500.00
3115	569 Chestnut Street	2	9/30/2004	19255.00
3131	318 Elizabeth Street	1	12/21/2004	25100.00
3136	401 Berryman Place	1	1/14/2005	24600.00
3138	505 Argyle Avenue	1	10/5/2004	19175.00
3189	496 Joyce Street	2	11/9/2004	7000.00
3178	448 Meade Street	2	3/23/2004	25000.00
3224	461 Waverly Place	2	4/29/2005	28500.00
3234	93 Bell Street	2	12/15/2004	9060.00
3235	285 North Center Street	2	3/3/2005	3869.00
3241	275 North Center Street	2	2/28/2005	9050.00
TOTAL UNITS		51		\$650,929
Avg. Contract Amount		33 since 2004		12,763.31

- B. Name, address and contact person of administrative agency responsible for program.

Mary Saporito

Loan Advisor

Department of Economic Development, Training and Employment

Division of Housing and Community Development

50 South Clinton Street, Suite 4301, East Orange, NJ 07018

Tel. 973-395-8450

- C. Policy and Procedural Manual.

Attached herein is the Essex County Home Improvement program Policy and Procedural Manual

APPENDIX B

POLICY AND PROCEDURAL MANUAL

The City of Orange Township will adopt COAH Rehabilitation Policy guidelines for its rehabilitation program, pending third round substantive certification.

~~APPENDIX C~~

~~NEIGHBORHOOD PRESERVATION PROGRAM~~

(no longer active in Orange)

CREDITING DOCUMENTATION: Neighborhood Preservation Program

MUNICIPALITY: City of Orange Township

COUNTY: Essex County

A. Details -

NPP REHABILITATION PROGRAM			
Year 1&2	Name	Address	Grant
1	Priscilla Morrison	581 Langdon St.	24,975
2	Toni Abrams	589 Chestnut Street	25,000
3	Frehiwot Sadik	583 Langdon Street	10,000
4	Corrine Smith	579 Nassau Street	10,000
5	Donovan Carr	567 Chestnut Street	10,000
6	Hector Velez	619 Valley Street	10,000
7	Anthony Williams	660 Scotland Road	9,200
8	Dennis Telford	561 Morris Street	6,000
9	Donna Cisco	640 Union Street	2,000
TOTAL			107,175
Average			11,908
Year 3	Name	Address	Grant
1	Jeanette Correa	596 Tremont Avenue	13,760
2	Debbie Watson	505 Argyle Avenue	10,000
3	Sylvia Prescod	585 Morris Street	9,553
4	Urban Glass Co.	575 McChesney	5,000
5	Appian Way	619 Langdon Street	5,000
6	Tesa Campbell	546 McChestnut Street	2,500
7	Vincent Laurore	539 Chestnut Street	2,500
TOTAL			48,313
Average			6,902
Year 4&5	Name	Address	Grant
1	Adele Moore	582 Langdon Street	18,095
2	Celena Ford	579 Chestnut Street	10,000
3	Alma Reeves	573 Langdon Street	12,358
5	Michael Repiscak	551 Beach Street	2,500
6	Rasheedah Morris	639 Nassau Street	2,500
TOTAL 22			45,453
Average			9,091

- B. Name, address and contact person of administrative agency responsible for program.

~~Marty Mayes~~ *Valerie Jackson*
Director Planning and Economic Development
City of Orange Township
29 North Day Street, Orange, NJ 07050
Tel. 973-266-4051

- C. Policy and Procedural Manual.

~~APPENDIX D~~

~~NPP PROCEDURAL MANUAL~~

(no longer an active program in Orange)

~~APPENDIX E~~

~~REGIONAL CONTRIBUTION ACT HOUSING IMPROVEMENT PROGRAM~~

CREDITING DOCUMENTATION: Regional Contribution Act Housing Improvement Program

MUNICIPALITY: City of Orange Township

COUNTY: Essex County

A. Details-

REGIONAL CONTRIBUTION ACT HOSUING IMPROVEMENT PROGRAM - Rental

	<u>Project Name</u>	<u>St</u>	<u>RHB</u>	<u>Comp</u>	<u>Expended</u>	<u>NWC</u>	<u>Comp</u>	<u>Expended</u>
1	143 WILLIAMS STREET	6	1	1	\$25,541.00	0	0	
2	276 ROBERTS ROAD (18,850)	6	1	1	\$18,850.00	0	0	
3	65 HAMPTON TERRACE (9,9870)	6	1	1	\$9,950.00	0	0	\$0.00
4	269 DUANE STREET (16,460)	6	1	1	\$22,160.00	0	0	\$0.00
5	213 PARK PLACE (14,550)	6	1	1	\$15,100.00	0	0	\$0.00
6	203 CHAPMAN STREET (20,110)	6	1	1	\$21,110.00	0	0	\$0.00
7	204 HICKORY STREET (10,260)	6	1	1	\$10,260.00	0	0	\$0.00
8	224 NEW STREET (15,475)	6	1	1	\$15,475.00	0	0	\$0.00
9	334 HAWTHORNE STREET (15,715)	6	1	1	\$15,715.00	0	0	\$0.00
10	207 CENTRAL PLACE (21,600)	6	1	1	\$21,600.00	0	0	\$0.00
11	370 TREMONT PLACE (17,500)	6	1	1	\$17,500.00	0	0	\$0.00
12	298 CLEVELAND STREET (30,340)	6	2	2	\$30,340.00	0	0	\$0.00
13	416 LAKESIDE AVENUE (20,500)	6	1	1	\$20,500.00	0	0	\$0.00
14	370 BRADFORD STREET (MOON) (20,500)	6	1	1	\$20,500.00	0	0	\$0.00
15	114 ELM STREET (17,500)	6	1	1	\$17,928.00	0	0	\$0.00
16	164 HICKORY STREET (FRAZIER) (59,799)	6	3	3	\$59,799.00	0	0	\$0.00
17	470 MEADE STREET (15,500)	6	1	1	\$23,700.00	0	0	\$0.00
18	588 VALLEY STREET (26,600)	6	1	1	\$26,600.00	0	0	\$0.00
19	56 BELL STREET (MARTIN) (13,200)	6	1	1	\$13,200.00	0	0	\$0.00
20	69 N. ESSEX AVENUE (ROULETTE) (31,800)	6	2	2	\$37,070.00	0	0	\$0.00
21	248 OGDEN STREET (MUHAMMAD) (39,243)	6	2	2	\$41,443.00	0	0	\$0.00
22	736 HAXTUN AVENUE (13,450)	6	1	1	\$13,450.00	0	0	\$0.00
23	457 LAKESIDE AVENUE (26,630)	6	1	1	\$26,630.00	0	0	
24	237 CLEVELAND STREET	3	1	0		0	0	
25	204 TREMONT AVENUE (27,175)	6	1	1	\$27,175.00	0	0	
26	57 GLENWOOD AVENUE (22,580)	6	1	1	\$22,850.00	0	0	
27	328 PARK AVENUE	-	3-	1-	0--	-	0-	0--
Total				32				

- B. Name, address and contact person of administrative agency responsible for program.

Wendy Brown

Senior Planning Aide/Relocation Officer, Division of Housing, City of Orange Township,
29 North Day Street, Orange, NJ 07050. Tel. 973-266-4051

Kathy McGlinchy

Monitoring and Regional Contribution Agreements, Council on Affordable Housing Staff,
Department of Community Affairs.

Tel. 609-292-3000, e-mail: KMcGlinchy@DCA.state.nj.us

- C. Policy and Procedural Manual.

Attached herein Regional Contribution Act Home Improvement Program Policy and
Procedural Manual

APPENDIX F

RCA POLICY AND PROCEDURAL MANUAL

APPENDIX G

DRAFT DEVELOPMENT FEE ORDINANCE

In May, 2006, The City of Orange Township Council adopted a Development Fee Ordinance using COAH guidelines. The ordinance has been incorporated into Chapter 210 of our Development Regulations Ordinance and, pending substantive certification, will amend the ordinance to reflect 2.5% non-residential fees and 1.5% residential fee schedules.

City of Orange Township

Affordable Housing Trust Fund Spending Plan

INTRODUCTION

The City of Orange Township, County of Essex, has prepared a Housing Element and Fair Share plan that addresses its regional fair share of the affordable housing need in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.), the Fair Housing Act (N.J.S.A. 52:27D-301) and the regulations of the Council on Affordable Housing (COAH) (N.J.A.C. 5:97-1 et seq. and N.J.A.C. 5:96-1 et seq.). A development fee ordinance creating a dedicated revenue source for affordable housing was adopted in May of 2006 and will be amended to reflect new COAH requirements. The ordinance established the City of Orange Township, County of Essex affordable housing trust fund for which this spending plan is prepared.

As of July 17, 2008, City of Orange Township has collected \$ 0 (zero), expended \$ 0 resulting in a balance of \$ 0. All development fees, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, and interest generated by the fees will be deposited in a separate interest-bearing affordable housing trust fund in PNC Bank for the purposes of affordable housing. These funds shall be spent in accordance with N.J.A.C. 5:97-8.7-8.9 as described in the sections that follow.

1. REVENUES FOR CERTIFICATION PERIOD

To calculate a projection of revenue anticipated during the period of third round substantive certification, City of Orange Township considered the following:

(a) Development fees:

1. Residential and nonresidential projects which have had development fees imposed upon them at the time of preliminary or final development approvals;
2. All projects currently before the planning and zoning boards for development approvals that may apply for building permits and certificates of occupancy; and
3. Future development that is likely to occur based on historical rates of development.

(b) Payment in lieu (PIL):

Actual and committed payments in lieu (PIL) of construction from developers as follows: none at the present time.

(c) Other funding sources:

Funds from other sources, including, but not limited to, the sale of units with extinguished controls, repayment of affordable housing program loans, rental income, proceeds from the sale of affordable units

(d) Projected interest:

Interest on the projected revenue in the municipal affordable housing trust fund at the current average interest rate.

SOURCE OF FUNDS	PROJECTED REVENUES-HOUSING TRUST FUND - 2008 THROUGH 2018											
	7/18/08 Through 12/31/08	2 0 0 9	2 0 1 0	2 0 1 1	2 0 1 2	2 0 1 3	2 0 1 4	2 0 1 5	2 0 1 6	2 0 1 7	2 0 1 8	Total
(a) Development fees*:	0	*	*	*	*	*	*	*	*	*	*	\$616,270
1. Approved Development	0											
2. Development Pending Approval	0											
3. Projected Development	0											
(b) Payments in Lieu of Construction		0										
(c) Other Funds (Specify source(s))		0										
(d) Interest		+	+	+	+	+	+	+	+	+	+	\$18,500
Total		-	-	-	-	-	-	-	-	-	-	\$644,770

* Estimated value per year is 14.6 non-redevelopment, residential, infill units multiplied by the median value of a residential unit \$131,400 multiplied by 1½ % to determine estimated residential development fees or \$28,777 annually. Estimated non-residential revenues identify the creation of an estimated 74 jobs per year but acknowledge a growth share obligation of 10 residential per year with an estimated median home value of \$131,400 multiplied by 2½ % to determine estimated non-residential fees or \$32,850 annually. Annual estimated development fee revenues are \$28,777 + \$32,850 or \$61,627 annually or \$616,270 over 10 years. It is estimated that developers will provide 1 affordable unit for every five units constructed.

+ Interest is estimated at 3% annually on \$61,627 or \$1,850 annually.

- The annual estimated total of all development fees and interest is 61627+1850 or \$63,477 annually.

The City of Orange Township projects a total of \$644,770 in revenue to be collected between July 18, 2008 and December 31, 2018. All interest earned on the account shall accrue to the account to be used only for the purposes of affordable housing.

2. ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS

The following procedural sequence for the collection and distribution of development fee revenues shall be followed by City of Orange Township:

(a) Collection of development fee revenues:

Collection of development fee revenues shall be consistent the City of Orange Township's development fee ordinance for both residential and non-residential developments in accordance with COAH's rules and P.L.2008, c.46, sections 8 (C. 52:27D-329.2) and 32-38 (C. 40:55D-8.1 through 8.7).

(b) Distribution of development fee revenues:

The City of Orange Township will modify the former Regional Contribution Act Housing Improvement Program to establish an affordable housing rehabilitation program using funds generated from development fees.

3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

(a) **Rehabilitation and new construction programs and projects (N.J.A.C. 5:97-8.7)**

City of Orange Township will dedicate all development fee revenues to rehabilitation or new construction programs (see detailed descriptions in Fair Share Plan) as follows:

Rehabilitation program: \$ All funds

New construction project(s): All developers will be required to meet COAH requirements of one affordable unit for every five units constructed.

(b) **Affordability Assistance (N.J.A.C. 5:97-8.8)**

Actual development fees through 7/17/2008		\$ 0
Actual interest earned through 7/17/2008	+	\$ 0
Development fees projected* 2008-2018	+	\$ 616,270
Interest projected* 2008-2018	+	\$ 18,500
Less housing activity expenditures through 6/2/2008	-	\$ 0
Total	=	\$ 634,770
30 percent requirement	x 0.30 =	\$ 190,431
Less Affordability assistance expenditures through 12/31/2004	-	\$
PROJECTED MINIMUM Affordability Assistance Requirement 1/1/2005 through 12/31/2018	=	\$ 190,431
PROJECTED MINIMUM Very Low-Income Affordability Assistance Requirement 1/1/2005 through 12/31/2018	÷ 3 =	\$ 57,129

* Note: The 2008 portion of this projection reflects 2008 subsequent to July 17 as the remainder of 2008 is included in the actual figure reported above.

City of Orange Township will dedicate all funds from the affordable housing trust fund to render units more affordable, including a majority to render units more affordable to households earning 30 percent or less of median income by region, as follows:

Creating partnerships with non-profit CDC's to help underwrite and create low-income units to very-low-income residential units.

(c) **Administrative Expenses (N.J.A.C. 5:97-8.9)**

The City of Orange Township projects that twenty percent (20%) will be available from the affordable housing trust fund to be used for administrative purposes. Projected administrative expenditures, subject to the 20 percent cap, are as follows:

Costs incurred by City of Orange Township staff, select consultants, CDC's and non-profit partners to maintain an effective affordable rehabilitation program.

4. EXPENDITURE SCHEDULE

City of Orange Township intends to use affordable housing trust fund revenues for the creation and/or rehabilitation of housing units. Where applicable, the creation/rehabilitation funding schedule below parallels the implementation schedule set forth in the Housing Element and Fair Share Plan and is summarized as follows.

Program	Number of Units Projected	Funds Expended and/or Dedicated	PROJECTED EXPENDITURE SCHEDULE 2009 -2018											
		2005- July 17, 2008	7/18/ 08 – 12/31 /08	2 0 9	2 0 0	2 0 1	2 0 2	2 0 3	2 0 4	2 0 5	2 0 6	2 0 7	2 0 8	Total
Rehabilitation	50	0	0	+	+	+	+	+	+	+	+	+	+	\$317,329
+ \$31,733 annually	(est.5 units annually)													
Total Programs														
Affordability Assistance	15	0	0	-	-	-	-	-	-	-	-	-	-	190,431
- \$19,043 annually														
Administration	20% of applicable costs	+ \$12,694 annually		+	+	+	+	+	+	+	+	+	+	126,940
Total	65	0	0											\$644,770

5. EXCESS OR SHORTFALL OF FUNDS

Pursuant to the Housing Element and Fair Share Plan, the governing body of City of Orange Township will not adopt a resolution agreeing to fund any shortfall of funds required for implementing an affordable housing program. **The City has demonstrated, based on past history, that the Third Round COAH obligation will be met well before 2018.**

6. BARRIER FREE ESCROW

Collection and distribution of barrier free funds shall be consistent with City of Orange Township's Affordable Housing Ordinance in accordance with N.J.A.C. 5:97-8.5.

SUMMARY

The City of Orange Township intends to spend affordable housing trust fund revenues pursuant to N.J.A.C. 5:97-8.7 through 8.9 and consistent with the housing program outlined in the housing element and fair share plan amended October 29, 2008;

The City of Orange Township had a balance of \$ 0 as of July 17, 2008 and anticipates an additional \$ 634,770 in revenues before the expiration of substantive certification for a total of \$634,770. The municipality will dedicate all fees collected towards affordable housing rehabilitation including housing for low to moderate income persons.

SPENDING PLAN SUMMARY	
Balance as of July 17, 2008	\$ 0
PROJECTED REVENUE July 18, 2008-2018	
Development fees	+ \$ 616,270
Payments in lieu of construction	+ \$ 0
Other funds	+ \$ 0
Interest	+ \$ 18,500
TOTAL REVENUE	= \$ 634,770
EXPENDITURES	
Funds used for Rehabilitation	- \$ 317,329
Funds used for New Construction	
1.	- \$
2.	- \$
3.	- \$
4.	- \$
5.	- \$
6.	- \$
7.	- \$
8.	- \$
9.	- \$
10.	- \$
Affordability Assistance	- \$ 190,431
Administration	- \$ 126,940
Excess Funds for Additional Housing Activity	= \$
1. <i>[list individual projects/programs]</i>	- \$
2.	- \$
3.	- \$
TOTAL PROJECTED EXPENDITURES	= \$ 634,700
REMAINING BALANCE	= \$0.00